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Comptroller

Acting Chief, Finance Division

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Class. Changed To: TS S C

Auth.: HR 70-2 18 December 1952

Date: 22-9-78 By: SS

Recommendations Concerning Certain Positive Steps Which Might be Taken to Increase Productivity in the Finance Division

1. There follows a list of recommendations made, for remedial action which would increase production in the Finance Division, during the course of the discussion which you held with various members of this Division on 17 December 1952:

a. The basic difficulty is the lack of adequate personnel, both at Headquarters Finance Division and field stations. The Headquarters T/O for the Finance Division is [redacted] persons. The actual number of persons on duty is [redacted]. We, therefore, need [redacted] persons to bring our staff up to full strength. In addition to that there is a need for a minimum of [redacted] additional finance personnel in various field stations. Assuming that we had the personnel to send to the field, there is still the problem of the various divisions arranging appropriate cover at the field stations to accommodate these individuals. As you know, the difficulties being experienced are, in effect, preventing us from sending Finance Officers to field stations, even in those cases where we have officers available for such assignments.

b. It is recommended that we decentralize all Quarters and Living Allowance payments to the field effective the pay period beginning 1 February 1953. The Director's Notice of 5 December 1952, subject: "Provision of Government Quarters Overseas" provides the basis for paying actual cost of quarters. [redacted] has already transmitted to DF/A a proposed procedure implementing that notice. It is recommended that there be added to that implementing instruction the provision that the field station may pay all Living Allowances as provided by Standardized Government Allowance Regulations, effective the same date that they start paying actual cost of quarters. If such an instruction is released to the field it would have immediate effect by reducing the amount of detail flowing to our Payroll and Allowance Section and would eliminate the majority of the complaints now received from individual personnel in the field to the effect that they are not kept currently advised of payments made to their stateside bank accounts. The question of decentralizing payrolls is considerably more complex and can be done only as we establish adequate payroll staffs in the field to absorb this work. We have established a procedure for handling of pay accounts in the field, and we will put that into effect at major field installations as rapidly as we can bring into being staffs at those points. However, in my opinion, it would be unwise to try to transfer all payrolling to field stations on a blanket basis when we know that they do not have adequate and trained personnel and facilities to handle this work.

c. One thing which interferes with maximum efficiency in the Finance Division is the lack of adequate space. At the present time, there is a considerable

~~SECRET~~

SECURITY INFORMATION

SECRET
SECURITY INFORMATION

- 2 -

amount of dead, unusable space; that is, space which contains no windows or ventilation. We have requests in to Services Division to make certain alterations which would ventilate these rooms and enable us to use them for personnel. However, our problems with respect to space will become more and more acute as we get additional personnel on duty. We are currently preparing a formal request to get more space to accommodate our full T/O.

d. A general problem which causes a great deal of unnecessary and useless work on the part of the Finance Division arises from the fact that operating divisions, in many cases, retain in their files information which is necessary and pertinent to permit the Finance Division to perform a proper audit of vouchers and accountings. Examples of this are cases where a cable or dispatch is written to the field directing them to make a payment or disbursement; copy of same is not furnished Finance Division. In the audit of the account Finance Division may go through the process of taking exception to the item on the basis that it was not properly approved. Or in cases where the field accounting quotes the authority Finance Division has difficulty in checking back with the division in trying to locate the quoted authority and obtain copy thereof for audit purposes. There are other instances where the operating division extracts documents or receipt from an accounting sent in from the field without any advice or notice to the Finance Division that such documents or receipts have been extracted. In many cases this comes to light only after the Finance Division has written to the field asking for the documents. Attached as Tab A are various examples illustrating the above point. It is recommended that a meeting be arranged with [REDACTED] and appropriate representatives of the operating divisions to discuss this difficulty in an endeavor to arrive at remedial action which should be taken.

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e. Another general problem which results in the waste of manpower is the delay and difficulty in the receipt of and release of dispatches from and to field installations. In some instances dispatches to the field pertaining to finance problems are retained in the division and a memorandum request containing inadequate information is sent to the Finance Division. In other instances division representatives make personal calls or telephone calls to the Finance Division, get general information, and make direct reply to the field dispatch. In many such cases the information given is misinterpreted and the dispatch to the field is incorrect. Giving full recognition to the fact that all incoming and outgoing dispatches should be sent through and coordinated with the operating division concerned, we nevertheless feel that it is essential that incoming dispatches pertaining to finance matters be routed promptly to the Finance Division and that outgoing dispatches pertaining to such matters be initiated by the Finance Division and/or specifically coordinated by them and a copy retained in the Finance Division files. Attached as Tab B is a list giving specific examples of the type of instances referred to above. It is recommended that this matter also be discussed with [REDACTED] and appropriate operating divisions so that corrective action may be taken.

25X1A

SECRET
SECURITY INFORMATION

SECURITY INFORMATION

- 3 -

f. Another general problem which causes additional work in the Finance Division is that of the tardy receipt of basic information or authorizing documents such as personnel actions, travel orders, etc. It is common to receive copies of personnel actions evidencing change of status of employees, such as change of station, in-grade promotions, change from employee to Agent status, etc., several days or weeks after the effective date thereof. Inquiry into and follow up on specific cases of this type indicate in most instances that this tardiness is not due to laxity on the part of the Personnel Office, but is due to the fact that they were not themselves provided with the facts until after the effective date. The delayed receipt of basic documents of this type results in overpayments and underpayments to employees, compound errors, and delays in advising employees of the true status of the payments made to them. This "after the fact" documentation is something which, I believe, warrants serious study on an Agency basis with a view to developing remedial procedures which can be rigidly enforced.

g. Another item which is difficult to define, but which involves the expenditure of much manpower is that of the large number of inquiry and special consideration cases received by the Finance Division. We receive a very great number of requests for special processing of vouchers on a rush or priority basis and special requests for information of a general or specific nature. Many of these requests are justified and must be honored; however, many of them are of such a character that we must either refuse or neglect other more important work. While it is recognized we cannot eliminate all such requests, it is recommended that this general problem be discussed with [REDACTED] and other concerned with a view to trying to have such requests confined to reasonable and manageable proportions.

h. Another matter of general concern is that of inadequate documentation; that is, basic authorizing documents which cannot be used as a basis of action until they are "interpreted" and are of such a nature that they are subject to various interpretations. Especially troublesome in this respect are documents which we have been and are currently receiving in connection with the authorization of payments to Staff and Contract Agents, payments to military personnel, and payments to subsidy and proprietary projects. The Agency regulations pertaining to the required documentation in all three of the above types of cases is so general or vague that it does not prescribe a standardized method for the issuance of basic authorizing documents. The net result insofar as the Finance Division is concerned is that every such document has to be studied, questioned, and interpreted before we can determine its real meaning. This is a problem which, I believe, requires general procedural development on an Agency basis.

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Attachments

Tab A

Tab B

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